



December 2, 2014

Testimony to the House Regulatory Reform Committee on Senate Bills 886-889.

Chairman Crawford and members of the committee, thank you for the opportunity to testify on Senate Bills 886-889. My name is David Herbel and I'm the President and CEO of LeadingAge Michigan. With me today is Scott Sawicki, Director of Corporate Affairs for Erickson Living, representing Fox Run; a Continuing Care Retirement Community in Novi.

With more than 350 not-for-profit and mission-based aging service providers across the state representing the full array of post-acute and senior services, LeadingAge Michigan leads the state with innovative service alternatives, such as: Naturally Occurring Retirement Communities, Programs of All-Inclusive Care for the Elderly (PACE), and Continuing Care Retirement Communities (CCRC).

Continuing Care Retirement Communities are also called life care communities. They offer several levels of care in one location. For example, many offer independent housing for people who need little or no care, but also have assisted living housing and a nursing facility, all on one campus, for those who need greater levels of care or supervision. In a Continuing Care Retirement Community, if you become unable to live independently, you can move to the assisted living area, or sometimes you can receive home care in your independent living unit. If necessary, you can enter the onsite or affiliated nursing home.

Senate Bills 886-889 regulate the life care contracts between Michigan's Continuing Care Retirement Communities and the residents they serve. These bills define new concepts such as Continuing Care at Home, codify in law previous areas of ambiguity with resident refunds and disclosure statements. Most importantly these bills eliminate outdated and duplicative rule sets that no longer serve the interests of today's active retirees.

In summary, we ask for your support of this legislative package because it focuses on the preferences of the consumer, modernizes outdated regulatory practices and will help better position Michigan for the much anticipated growth in our senior population.

Thank you for your consideration of support for Senate Bills 886, 887, 888 and 889.

A handwritten signature in cursive script that reads "David E. Herbel".

David Herbel
LeadingAge Michigan
President & CEO